

Carlsbad Tourism and Business Improvement District (CTBID)
Annual Report
2008-2009

Method of Assessment: The CTBID includes all hotel businesses located within the CTBID boundaries. The assessment shall be levied on all hotel businesses, existing and future, within the City of Carlsbad based upon a flat fee of \$1.00 per occupied room per night for all transient occupancies as defined in section 3.12.020(7) of the Carlsbad Municipal Code. The amount of assessment shall be separately stated from the amount of the rent and other taxes charged, and each transient shall receive a receipt for payment from the operator. The assessment will be remitted monthly, based on \$1.00 per occupied room per night in revenues for the previous month.

Assessment Funding Purpose: To administer marketing and visitor programs to promote the City of Carlsbad as a tourism visitor destination and to fund projects, programs, and activities, including appropriate administrative charges, that benefit hotels within the boundaries of the District.

2008-09 Work Plan: During the 2007-08 fiscal year the CTBID Board contracted with Reint Reinders and Associates (RR&A) to conduct a study on how Carlsbad tourism sales, marketing and visitors services should be conducted going forward. This study began in April 2008 and it is anticipated that it will be completed by July 2008. The outcome of this study may assist in determining future projects, programs or activities for the CTBID.

In May 2008, the Carlsbad Tourism Business Improvement District Board approved renewing agreements with Carlsbad Convention and Visitors Bureau and San Diego North Convention and Visitors Bureau for tourism promotion services for the period July 1, 2008 through June 30, 2009. If there are changes to be made in the future based on recommendations from the RR&A study, this will allow time for transition and implementation. These agreements require that these agencies continue to provide the services they have provided in the past as detailed below:

Carlsbad Convention and Visitors Bureau (CCVB): Manage and coordinate marketing programs that position Carlsbad as a year-round leisure visitor destination in Southern California.

- Increase brand awareness
- Operate Visitor Information Center in the Historic Santa Fe Train Depot seven days per week.
- Initiate familiarization tours by inviting the media to Carlsbad.
- Promote local community events.
- Develop private funding sources for the purpose of supplementing funds.
- Support a full-time marketing campaign.
- Provide semi-annual reports of the activity and expenses of the CCVB to the City.

San Diego North Convention and Visitors Bureau (SDNCVB): Increase measurable visitor spending through the generation of group business leads from room night bookings and group events. Tactics include:

- Phone solicitation/prospecting
- Personal sales calls to targeted national and international businesses
- Buyer site inspections
- Meeting planner familiarization tours
- Tour planner familiarization tours
- Trade and travel show attendance
- Direct mail campaigns
- Product launches fro wholesale and airline vacation companies
- Email solicitation and promotions
- Reservation center educationals
- E-commerce development
- Quarterly reports are to be provided with performance measures.

2008-09 CTBID Budget

Program Areas		Description	2008-09 Budget
Carryover Fund Balance			324,982
<u>Revenues:</u>			
CTBID Assessment	Projected at same level as 2007-08		775,000
Interest Earnings			10,000
Total Estimated Revenues			785,000
<u>Expenditures:</u>			
2% Admin. Fee - City	2% of CTBID assessment revenue, for collection of CTBID assessment and accounting for CTBID		16,500
CCVB Payment	\$37,400/month, to operate visitor center, market and promote Carlsbad		448,000
SDNCVB Payment	\$9,167/month, to provide group sales		110,000
Staff support	Staff support to the CTBID		16,500
CTBID Grants	Program approved by Board at 3/18 meeting		40,000
Contingency	To be determined by the CTBID Board at a later date		250,000
Total Budgeted Expenses			881,000
Ending Fund Balance	Contingency for Revenue shortfall		228,982